

**EIGHTY-FIFTH GENERAL ASSEMBLY  
2013 REGULAR SESSION  
DAILY  
HOUSE CLIP SHEET**

MARCH 13, 2013

**HOUSE FILE 520**

**H-1079**

1 Amend House File 520 as follows:  
2 1. Page 15, after line 19 by inserting:  
3 <d. The county commissioner of elections conducting  
4 an election pursuant to this subsection shall submit  
5 a report to the state commissioner of elections  
6 within sixty days following the election. The report  
7 shall include information on the number of voters who  
8 were sent an absentee ballot, the number of returned  
9 absentee ballots, the number of voters who cast  
10 ballots at the county commissioner's office, whether  
11 an additional site was made available as a polling  
12 place on election day pursuant to paragraph "a", and,  
13 if such an additional site was made available, the  
14 number of voters who cast ballots at that site, and any  
15 obstacles encountered in the voting process for the  
16 election. The state commissioner shall submit a copy  
17 of the report to the chairpersons and ranking members  
18 of the general assembly's standing committees on state  
19 government within ten days following the receipt of the  
20 report.>  
21 2. By renumbering as necessary.  
By HUNTER of Polk

**H-1079** FILED MARCH 12, 2013

**HOUSE FILE 184**

**H-1070**

1 Amend House File 184 as follows:  
2 1. Page 1, after line 17 by inserting:  
3 <Sec. \_\_\_\_\_. APPLICABILITY. This Act applies to  
4 cities with a population greater than 10,000 beginning  
5 July 1, 2013.  
6 Sec. \_\_\_\_\_. APPLICABILITY. This Act applies to  
7 cities with a population of 10,000 or less beginning  
8 July 1, 2014.>  
9 2. Title page, line 2, after <property> by  
10 inserting <and including applicability provisions>  
11 3. By renumbering as necessary.

By SALMON of Black Hawk

**H-1070** FILED MARCH 12, 2013

HOUSE FILE 184

H-1075

- 1 Amend House File 184 as follows:  
2 1. Page 1, after line 17 by inserting:  
3 <Sec. \_\_\_\_ EFFECTIVE DATE. This Act takes effect  
4 January 1, 2014.>  
5 2. Title page, line 2, after <property> by  
6 inserting <and including effective date provisions>  
7 3. By renumbering as necessary.

By BRANDENBURG of Pottawattamie

H-1075 FILED MARCH 12, 2013

HOUSE FILE 312

H-1071

- 1 Amend the amendment, H-1069, to House File 312, as  
2 follows:  
3 1. Page 1, by striking lines 2 through 15 and  
4 inserting:  
5 <\_\_\_\_. Page 2, by striking lines 25 and 26 and  
6 inserting <upon being appropriated necessary moneys by  
7 the general assembly to support the project. The>  
8 \_\_\_\_\_. Page 2, by striking line 35 and inserting  
9 <appropriate necessary moneys to the>>

By KLEIN of Washington

H-1071 FILED MARCH 12, 2013

HOUSE FILE 352

H-1076

1 Amend House File 352 as follows:

2 1. Page 1, by striking lines 5 through 9 and  
3 inserting <through twelve. The minimum hours as time  
4 that shall be exclusive of the lunch period, but may  
5 include passing time between classes. Time spent  
6 on parent-teacher conferences shall be considered  
7 instructional time. A school>

8 2. Page 2, by striking lines 30 and 31 and  
9 inserting:

10 <Sec. 4. Section 279.10, subsection 2, Code 2013,  
11 is amended to read as follows:

12 2. The board of directors shall hold a public  
13 hearing on any proposal relating to the school calendar  
14 prior to submitting it to the department of education  
15 for approval.

16 Sec. 5. Section 299.1, subsection 2, Code 2013, is  
17 amended to read as follows:

18 2. The board of directors of a public school  
19 district or the governing body of an accredited  
20 nonpublic school shall set the number of ~~days~~ hours of  
21 required attendance for the schools under its control.  
22 The board of directors of a public school district or  
23 the governing body of an accredited nonpublic school  
24 may, by resolution, require attendance for the entire  
25 time when the schools are in session in any school year  
26 and adopt a policy or rules relating to the reasons  
27 considered to be valid or acceptable excuses for  
28 absence from school.>

29 3. Page 3, by striking line 23.

30 4. By renumbering as necessary.

**By** RUFF of Clayton

H-1076 FILED MARCH 12, 2013

HOUSE FILE 469

H-1073

1 Amend House File 469 as follows:  
2 1. Page 18, after line 9 by inserting:  
3 <Sec. \_\_\_\_\_. Section 490.732, subsection 4, Code  
4 2013, is amended to read as follows:  
5 4. An agreement authorized by this section  
6 shall cease to be effective when ~~shares of the~~  
7 ~~corporation are listed on a national securities~~  
8 ~~exchange or regularly traded in a market maintained~~  
9 ~~by one or more members of a national or affiliated~~  
10 ~~securities association~~ the corporation becomes a  
11 public corporation. If the agreement ceases to be  
12 effective for any reason, the board of directors may,  
13 if the agreement is contained or referred to in the  
14 corporation's articles of incorporation or bylaws,  
15 adopt an amendment to the articles of incorporation  
16 or bylaws, without shareholder action, to delete the  
17 agreement and any references to it.>  
18 2. Page 41, line 32, by striking <specifies> and  
19 inserting <specifies>  
20 3. By striking page 56, line 31, through page 57,  
21 line 6.  
22 4. By renumbering, redesignating, and correcting  
23 internal references as necessary.

By HAGENOW of Polk

H-1073 FILED MARCH 12, 2013

HOUSE FILE 478

H-1078

1 Amend House File 478 as follows:

2 1. Page 3, after line 1 by inserting:

3 <DIVISION \_\_\_\_\_

4 TAXPAYERS TRUST FUND

5 Sec. \_\_\_\_\_. Section 8.54, subsection 5, Code 2013, is  
6 amended by striking the subsection.

7 Sec. \_\_\_\_\_. Section 8.55, subsection 2, Code 2013, is  
8 amended to read as follows:

9 2. The maximum balance of the fund is the amount  
10 equal to two and one-half percent of the adjusted  
11 revenue estimate for the fiscal year. If the amount of  
12 moneys in the Iowa economic emergency fund is equal to  
13 the maximum balance, moneys in excess of this amount  
14 shall be ~~distributed as follows:~~

15 a. ~~The first sixty million dollars of the~~  
16 ~~difference between the actual net revenue for the~~  
17 ~~general fund of the state for the fiscal year and the~~  
18 ~~adjusted revenue estimate for the fiscal year shall be~~  
19 transferred to the taxpayers trust fund.

20 b. ~~The remainder of the excess, if any, shall be~~  
21 ~~transferred to the general fund of the state.~~

22 Sec. \_\_\_\_\_. Section 8.57E, subsection 2, Code 2013,  
23 is amended to read as follows:

24 2. Moneys in the taxpayers trust fund shall only  
25 be used pursuant to appropriations or transfers made  
26 by the general assembly for tax relief. During each  
27 fiscal year beginning on or after July 1, 2014, in  
28 which the balance of the taxpayers trust fund equals or  
29 exceeds thirty million dollars, there is transferred  
30 from the taxpayers trust fund to the Iowa taxpayers  
31 trust fund tax credit fund created in section 422.11E,  
32 the entire balance of the taxpayers trust fund to be  
33 used for the Iowa taxpayers trust fund tax credit in  
34 accordance with section 422.11E, subsection 5.

35 Sec. \_\_\_\_\_. Section 8.58, Code 2013, is amended to  
36 read as follows:

37 8.58 Exemption from automatic application.

38 1. ~~To the extent that moneys appropriated under~~  
39 ~~section 8.57 do not result in moneys being credited~~  
40 ~~to the general fund under section 8.55, subsection 2,~~  
41 ~~moneys~~ Moneys ~~appropriated under in~~ section 8.57 and  
42 moneys contained in the cash reserve fund, rebuild  
43 Iowa infrastructure fund, environment first fund, Iowa  
44 economic emergency fund, and taxpayers trust fund shall  
45 not be considered in the application of any formula,  
46 index, or other statutory triggering mechanism which  
47 would affect appropriations, payments, or taxation  
48 rates, contrary provisions of the Code notwithstanding.

49 2. ~~To the extent that moneys appropriated under~~  
50 ~~section 8.57 do not result in moneys being credited~~

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~~1 to the general fund under section 8.55, subsection 2,~~  
2 ~~moneys~~ Moneys appropriated under in section 8.57 and  
3 moneys contained in the cash reserve fund, rebuild  
4 Iowa infrastructure fund, environment first fund, Iowa  
5 economic emergency fund, and taxpayers trust fund shall  
6 not be considered by an arbitrator or in negotiations  
7 under chapter 20.

8 DIVISION \_\_\_\_\_

9 IOWA TAXPAYERS TRUST FUND TAX CREDIT

10 Sec. \_\_\_\_\_. TAXPAYERS TRUST FUND ---- IOWA TAXPAYERS  
11 TRUST FUND TAX CREDIT TRANSFER. During the fiscal  
12 year beginning July 1, 2013, there is transferred from  
13 the taxpayers trust fund created in section 8.57E to  
14 the Iowa taxpayers trust fund tax credit fund created  
15 in section 422.11E, an amount equal to the sum of  
16 the balance of the taxpayers trust fund as determined  
17 after the close of the fiscal year beginning July 1,  
18 2012, and ending June 30, 2013, including the amount  
19 transferred for that fiscal year to the taxpayers trust  
20 fund from the Iowa economic emergency fund created  
21 in section 8.55 in the fiscal year beginning July 1,  
22 2013, and ending June 30, 2014, to be used for the Iowa  
23 taxpayers trust fund tax credit in accordance with  
24 section 422.11E, subsection 5.

25 Sec. \_\_\_\_\_. NEW SECTION. 422.11E Iowa taxpayers  
26 trust fund tax credit.

27 1. For purposes of this section, unless the context  
28 otherwise requires:

29 a. "Eligible individual" means, with respect to  
30 a tax year, an individual who makes and files an  
31 individual income tax return pursuant to section  
32 422.13. "Eligible individual" does not include  
33 an estate or trust, or an individual for whom an  
34 individual income tax return was not timely filed,  
35 including extensions.

36 b. "Unclaimed tax credit" means, with respect to  
37 a tax year, the aggregate amount by which the Iowa  
38 taxpayers trust fund tax credits that were eligible to  
39 be claimed by eligible individuals, if any, exceeds the  
40 Iowa taxpayers trust fund tax credits actually claimed  
41 by eligible individuals, if any.

42 2. The taxes imposed under this division, less the  
43 credits allowed under this division except the credits  
44 for withheld tax and estimated tax paid in section  
45 422.16, shall be reduced by an Iowa taxpayers trust  
46 fund tax credit to an eligible individual for the tax  
47 year beginning January 1 immediately preceding July 1  
48 of any fiscal year during which a transfer, if any, is  
49 made from the taxpayers trust fund in section 8.57E to  
50 the Iowa taxpayers trust fund tax credit fund created

1 in this section.

2 3. The credit shall be equal to the quotient of  
3 the amount transferred to the Iowa taxpayers trust  
4 fund tax credit fund in the applicable fiscal year,  
5 divided by the number of eligible individuals for the  
6 tax year immediately preceding the tax year for which  
7 the credit in this section is allowed, as determined  
8 by the director of revenue in accordance with this  
9 section, rounded down to the nearest whole dollar. The  
10 department of revenue shall draft the income tax form  
11 for any tax year in which a credit will be allowed  
12 under this section to provide the information and space  
13 necessary for eligible individuals to claim the credit.

14 4. Any credit in excess of the taxpayer's liability  
15 for the tax year is not refundable and shall not be  
16 credited to the tax liability for any following year  
17 or carried back to a tax year prior to the tax year in  
18 which the taxpayer claims the credit.

19 5. a. There is established within the state  
20 treasury under the control of the department an Iowa  
21 taxpayers trust fund tax credit fund consisting of any  
22 moneys transferred by the general assembly by law from  
23 the taxpayers trust fund created in section 8.57E for  
24 purposes of the credit provided in this section. For  
25 the fiscal year beginning July 1, 2013, and for each  
26 fiscal year thereafter, the department shall transfer  
27 from the Iowa taxpayers trust fund tax credit fund  
28 to the general fund of the state, the lesser of the  
29 balance of the Iowa taxpayers trust fund tax credit  
30 fund or an amount of money equal to the Iowa taxpayers  
31 trust fund tax credits claimed in that fiscal year, if  
32 any. Any moneys in the Iowa taxpayers trust fund tax  
33 credit fund which represent unclaimed tax credits shall  
34 immediately revert to the taxpayers trust fund created  
35 in section 8.57E. Interest or earnings on moneys in  
36 the Iowa taxpayers trust fund tax credit fund shall be  
37 credited to the taxpayers trust fund created in section  
38 8.57E.

39 b. The moneys transferred to the general fund of  
40 the state in accordance with this subsection shall not  
41 be considered new revenues for purposes of the state  
42 general fund expenditure limitation under section 8.54  
43 but instead as replacement of a like amount included in  
44 the expenditure limitation for the fiscal year in which  
45 the transfer is made.>

46 2. Page 3, line 24, before <or> by inserting  
47 <except for the Iowa taxpayers trust fund tax credit  
48 allowed under section 422.11E,>

49 3. Page 5, line 15, before <or> by inserting  
50 <except for the Iowa taxpayers trust fund tax credit

**H-1078**

Page 4

1 allowed under section 422.11E,>  
2 4. Page 5, line 21, by striking <This> and  
3 inserting:  
4 1. Except as provided in subsection 2, this>  
5 5. Page 5, after line 23 by inserting:  
6 <2. The following provisions of this Act apply  
7 retroactively to July 1, 2012, to moneys attributed to  
8 fiscal years beginning on or after July 1, 2012:  
9 a. The section of this Act amending section 8.54.  
10 b. The section of this Act amending section 8.55.  
11 c. The section of this Act amending section 8.57E.  
12 d. The section of this Act amending section 8.58.>  
13 6. Title page, line 1, by striking <the individual  
14 income tax by> and inserting <revenue and taxation by  
15 modifying the transfer of moneys from the Iowa economic  
16 emergency fund to the taxpayers trust fund, creating  
17 an Iowa taxpayers trust fund tax credit and fund and  
18 providing for the transfer of moneys for purposes of  
19 the credit,>  
20 7. By renumbering as necessary.

By COWNIE of Polk

**H-1078** FILED MARCH 12, 2013

**HOUSE FILE 489**

**H-1072**

1 Amend House File 489 as follows:  
2 1. Page 6, after line 19 by inserting:  
3 <Sec. \_\_\_\_\_. Section 511.8, subsection 22, paragraph  
4 i, subparagraph (2), Code 2013, is amended to read as  
5 follows:  
6 (2) Securities pledged as collateral for financial  
7 instruments used in highly effective hedging  
8 transactions together with securities pledged to a  
9 counterparty, clearing organization, or clearinghouse  
10 on an upfront basis in the form of initial margin,  
11 independent amount, or other securities pledged as a  
12 precondition of entering into financial instruments  
13 used in highly effective hedging transactions pursuant  
14 to subparagraph (1), are not eligible in excess of ten  
15 percent of the legal reserve of the life insurance  
16 company or association, less any financial instruments  
17 used in hedging transactions held in the legal reserve  
18 under this subsection.  
19 Sec. \_\_\_\_\_. Section 511.8, subsection 22, paragraph  
20 i, subparagraph (3), Code 2013, is amended by striking  
21 the subparagraph.>  
22 2. By renumbering as necessary.

By PETTENGILL of Benton

**H-1072** FILED MARCH 12, 2013



**HOUSE FILE 515**

**H-1077**

1 Amend House File 515 as follows:

2 1. Page 1, line 13, after <Independence,> by  
3 inserting <the Federalist Papers,>

4 2. Page 1, line 15, after <Independence,> by  
5 inserting <the Federalist Papers,>

6 3. Title page, line 3, after <Independence> by  
7 inserting <and the Federalist Papers>

**By** HEARTSILL of Marion

**H-1077** FILED MARCH 12, 2013

**HOUSE JOINT RESOLUTION 2**

**H-1074**

1 Amend House Joint Resolution 2 as follows:

2 1. By striking everything after the resolving  
3 clause and inserting:

4 <Section 1. The following amendment to the  
5 Constitution of the State of Iowa is proposed:

6 The Constitution of the State of Iowa is amended by  
7 adding the following new section to new Article XIII:

8 ARTICLE XIII.

9 TAXPAYERS TRUST FUND

10 Taxpayers trust fund. SECTION 1.

11 1. A taxpayers trust fund is created within the  
12 treasury to provide tax relief. The maximum balance  
13 of the trust fund shall be established by statute but  
14 shall not be more than one percent of the state's  
15 annual net general revenue.

16 2. Except for temporary cash flow purposes, moneys  
17 in the taxpayers trust fund shall only be used in  
18 accordance with appropriations or transfers made by the  
19 general assembly for purposes of providing tax relief  
20 for any of the following purposes:

21 a. Personal income tax reduction.

22 b. Homeowner property tax reduction.

23 c. Sales tax reduction.

24 3. The general assembly shall enact laws to  
25 implement this section.

26 Sec. 2. The foregoing proposed amendment to the  
27 Constitution of the State of Iowa is referred to the  
28 general assembly to be chosen at the next general  
29 election for members of the general assembly, and the  
30 Secretary of State is directed to cause the amendment  
31 to be published for three consecutive months previous  
32 to the date of that election as provided by law.

33 2. Title page, by striking lines 1 through 5 and  
34 inserting <A Joint Resolution proposing an amendment to  
35 the Constitution of the State of Iowa relating to state  
36 budgeting by creating a taxpayers relief fund.>

37 3. By renumbering as necessary.

**By** HALL of Woodbury

**H-1074** FILED MARCH 12, 2013

# Fiscal Note

*Fiscal Services Division*



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**HF 478** – Income Tax, Alternative System for Individuals (LSB 1421HV)  
Analyst: Jeff Robinson (Phone: (515) 281-4614) ([jeff.robinson@legis.iowa.gov](mailto:jeff.robinson@legis.iowa.gov))  
Fiscal Note Version – New

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## **Description**

**House File 478** creates a dual-system Iowa individual income tax. When filing tax returns for tax years 2013 and beyond, taxpayers will be allowed to choose between the current tax system with nine tax rates, itemized deductions, the federal income tax deduction, and various refundable and nonrefundable credits, and a new system that taxes income at a flat rate of 4.5% and allows very limited deductions. Taxpayers will be allowed to choose one system one tax year and the other system the next tax year.

This Bill adjusts the local option income surtax rates for those taxpayers choosing the new tax system. This Bill takes effect on enactment and applies retroactively to tax year 2013 and after.

## **Characteristics of the Alternative System**

- The income tax base is federal Adjusted Gross Income less interest income earned from federal securities and before net operating losses.
- A standard deduction is allowed: \$6,235 for a single individual or married individual filing separately, or \$12,470 for married individuals filing jointly, surviving spouses and head of household returns. The deduction amounts are not indexed for inflation.
- A tax rate of 4.5% would be applied to taxed income. This is equal to base income minus the allowed standard deduction.
- Taxpayers will calculate their tax liability under both systems and choose the system each tax year that produces the lowest State income tax liability.

## **Assumptions**

The Department of Revenue utilized a micro-simulation model to estimate the individual income taxes owed by every taxpayer in Iowa, using actual 2010 tax returns. The tax liability for each tax return was estimated for tax year 2013 through tax year 2017 under the current tax system, and also for the same return under the proposed alternative system. For each tax return, the tax liability that was the lower of the two was used as the tax revenue received by the State under the proposed dual system.

The Department estimate does not provide an adjustment for taxpayers utilizing the ability to choose one system for a tax year and then the other system for the next tax year, potentially benefiting from a two-year tax avoidance strategy.

School districts may impose a surtax on income tax payers residing within the school district. A surtax of up to 20.0% of the taxpayer's income tax liability, prior to refundable credits, is allowed. Statewide, the local option surtax raises an amount equal to 2.7% of Iowa State individual income tax revenue. For any tax reduction that is not a refundable tax credit,

reducing State income taxes owed by Iowa taxpayers reduces the statewide yield of the income surtax by 2.7%. To adjust for the income surtax decrease that may result from the reduced State income tax, this Bill applies a surtax 22.0% higher than the surtax rate in effect for that year.

### **Fiscal Impact**

The alternative dual individual income tax system proposed in HF 478 will reduce taxpayer income tax liability by \$396.5 million for tax year 2013, with a projected reduction of \$469.9 million by tax year 2017. With a minor exception, all individual income tax is deposited to the State General Fund. The estimated impact on the State General Fund by fiscal year is contained in the following table.

<b>Fiscal Impacts by Fiscal Year</b>	
in millions of dollars	
Fiscal Year	State General Fund Impact
FY 2013	\$ -6.0
FY 2014	-412.10
FY 2015	-537.00
FY 2016	-437.50
FY 2017	-458.80

Since the proposed dual system allows taxpayers to switch back and forth between tax systems, some taxpayers may find it beneficial to “crowd” federal tax payments and itemized deductions into a tax year where they choose the current tax system that allows those deductions, and then for the following tax year, a tax year where they receive their federal tax refund and have reduced itemized deductions, choose the new flat tax rate system.

In addition, taxpayers with sufficient control of when they receive income could, in a similar fashion, crowd income into every other tax year, with the majority of income received in a year where the new 4.5% tax system is selected, and much less income received in the year the current system is selected.

These tax avoidance strategies will result in those taxpayers owing less in State income taxes over the two tax years than contemplated by the modeling process of the Department of Revenue. To the extent that this tax avoidance process is utilized by taxpayers, the tax reduction for taxpayers and the resulting reduction in income tax and surtax revenue will be larger.

The creation of a new tax form and the related technical work associated with tracking and administering a new dual income tax system will result in additional administrative costs for the Department of Revenue. The Department estimates the costs will exceed \$65,000 per year in FY 2013 and in FY 2014.

**Source**

Iowa Department of Revenue

/s/ Holly M. Lyons

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March 12, 2013

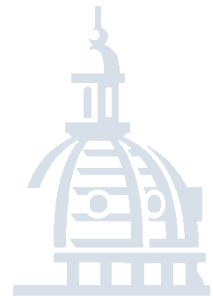
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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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# Fiscal Note

*Fiscal Services Division*



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**HF 355** – Online Renewal of Driver's Licenses (LSB 1288HV)  
Analyst: David Heuton (Phone: (515) 725-0509) ([david.heuton@legis.iowa.gov](mailto:david.heuton@legis.iowa.gov))  
Fiscal Note Version – New

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## **Description**

**House File 355** permits the Department of Transportation (DOT) to renew a driver's license electronically and without requiring the licensee to pass a vision test or file a vision report pursuant to the rules of the DOT.

## **Assumptions**

- The estimated number of applicants electing to renew online will be 137,200 per year or approximately 35% of the 392,000 annual renewals.
- The number of renewals issued by the DOT will be 89,180 (65.0% of 137,200 online annual renewals).
- The number of renewals issued by counties will be 48,020 (35.0% of 137,200 online annual renewals).
- Assumes that one third hour (20 minutes) will be saved by DOT or county license clerks per license issuance.
- The DOT driver's license issuance time is 29,726 hours annually, or the equivalent of 17.0 FTE positions.
- The average salary and benefits for a full-time DOT driver's license clerk is \$52,500. Salary and benefits cost for driver's license issuance by the DOT is 17.0 FTE positions times \$52,500 for a total of \$892,500.
- Reduced DOT payments to counties for issuance cost saved equals \$336,000 (\$7.00 times 48,020).

## **Fiscal Impact**

This Bill will result in estimated savings to the Road Use Tax Fund of \$1.2 million annually based on the above assumptions (salary savings of \$892,500 plus the reduced issuance retention transfers to the counties in the amount of \$336,000). Counties may also experience a reduction in issuance costs, but that impact cannot be determined, and is offset by the reduced DOT retention transfer payments mentioned above.

## **Source**

DOT

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/s/ Holly M. Lyons

March 12, 2013

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The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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# Fiscal Note

*Fiscal Services Division*



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**HF 455** – Student Transportation and Bus Code Corrections (LSB 1092HV)  
Analyst: Shawn Snyder (Phone: (515) 281-7799) ([shawn.snyder@legis.iowa.gov](mailto:shawn.snyder@legis.iowa.gov))  
Fiscal Note Version – New

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## **Description**

**House File 455** makes changes to school district transportation provisions for students.

## **Background**

This fiscal note addresses Section 4 of this Bill that expands the requirement of school bus inspections to include school-owned nine-passenger or less vehicles that transport students. Additionally, the Bill specifies that inspections can be provided by the Department of Education or qualified private auto mechanics.

## **Assumptions**

- The Department of Education estimates 1,000 to 1,800 additional vehicles will be inspected twice each year.
- The Department's inspection fee will be \$40 beginning in FY 2014. The cost of private mechanic fees is assumed to be similar to the Department's fees.
- School districts will pay for the additional inspections through current resources.

## **Fiscal Impact**

There is no fiscal impact to the State General Fund.

Beginning in FY 2014, the estimated statewide total cost to local school districts will range between \$80,000 and \$144,000. District amounts will vary based on the number of additional vehicles that require inspections. The per district average cost is estimated between \$230 to \$414.

## **Sources**

Iowa Department of Education  
Iowa Administrative Code, [281 – 43.30](#) (updated rule pending approval)

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/s/ Holly M. Lyons

March 12, 2013

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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